

This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS DAR ES SALAAM 000165

SIPDIS

DEPT AF/EPS FOR M NORMAN, AF/E FOR B YODER
DEPT PASS TO MCC OFFICE
ALSO PASS TO USAID

E.O. 12958: N/A

TAGS: [EAID](#) [ECON](#) [PREL](#) [TZ](#)

SUBJECT: TANZANIA: PRESIDENT KIKWETE NAMES COORDINATOR TO
LEAD MCC COMPACT PROCESS

REF: STATE 206370

1. (U) SUMMARY. President Jakaya Kikwete appointed Bernard Mchomvu, retired Permanent Secretary (PS) from the Ministry of Defence, as the key Government of Tanzania (GOT) coordinator for the Millennium Challenge Corporation (MCC) compact. This appointment comes just two days before an MCC delegation is set to arrive in Tanzania to explain the MCC Compact process. Mchomvu's secretariat will be based in the Ministry of Finance and Mugisha Kamugisha, the Commissioner for Policy Analysis at the Ministry of Finance, will be his key operational assistant. END SUMMARY.

State House Introduces Ambassador to MCC Coordinator

2. (U) On January 30, Chief Secretary, Philemon Luhanjo, invited Ambassador Retzer to State House to share the news of Kikwete's recent appointment of a full-time, special coordinator for the MCC. Luhanjo introduced Mchomvu as the President's appointee "to coordinate all issues relating to the MCC." Luhanjo explained that Kikwete thought it would be best to appoint Mchomvu prior to the MCC delegation's arrival on February 1.

3. (U) After Luhanjo's announcement regarding Mchomvu's appointment, Ambassador Retzer provided a high-level overview of the MCC approach and emphasized the importance of learning from other countries such as Benin and Madagascar that have already completed compacts. "This time next year, we hope that the GOT will have successfully negotiated a compact with the MCC -- a very positive step forward in the U.S. relationship with Tanzania. Luhanjo agreed wholeheartedly adding, "the whole purpose of our introducing Mchomvu is to receive the MCC team and get to work."

4. (U) From the GOT's side, Commissioner Kamugisha raised two issues. First, he inquired about potential "project preparation assistance" to conduct consultations during the Compact writing phase. Ambassador Retzer highlighted that the MCA does not provide start-up funding but said that possibilities may exist elsewhere, such as the World Bank, for seed money to jump-start the process. Secondly, Kamugisha inquired about possible duplication of consultations required by the MCC with the GOT's National Poverty Reduction Strategy (known in Swahili as Mkukuta). In 2005, the GOT completed Mkukuta based on in-depth consultations with a range of stakeholders including civil society, international NGOs, private sector etc. Ambassador Retzer responded that the MCC delegation would clarify how, if at all, consultations would need to be broadened or deepened for to ensure sufficient participation for a successful compact.

Background: Bernard Said Mchomvu

5. (U) Mchomvu has over thirty years of experience working for the GOT. This month, Mchomvu retired from the Ministry of Defence and National Service, where he served as PS since 2004. Previously, he served as PS to the Ministry of Industries and Trade from 1996 to 1997, and as PS to the Ministry of Home Affairs from 1997 to 2003. During his years of government service, Mchomvu has also acted either as Chairman (or Director) on the Board of Directors for entities such as the Tanzania Bureau of Standards, East African Breweries, National Steel Company, National Institute for Medical Research, State Mining Corporation etc. Mchomvu received his high-school diploma in 1968 from the Kibaha

high
school in Tanzania. After completing his Bachelors degree
at
the University of Dar es Salaam (1969-1972), Mchomvu went
on
to pursue a Masters in Business Administration at the
Strathclyde Business School in Glasgow (1984 to 1986).

Comment:

[17](#). (U) Kikwete committed to having an MCC coordinator
shortly after constituting his new government and now has
done so, clearly demonstrating the importance he attaches
to
a compact. By identifying Mchomvu and Kamugisha as the key
GOT points of contact, prior to the MCC delegation's
arrival,
Kikwete enables their active participation in all of the
MCC's meetings and events aimed at sensitizing the GOT and
Tanzanian society to the MCC compact process. The
placement
of Kamugisha as Mchomvu's direct assistant (the number two
contact) is another positive sign for the process;
Kamugisha
has been the top contact for the Mission during the
development of all MCA threshold activities and, therefore,
provides a sense of continuity with the Mission.
RETZER